

106TH CONGRESS
1ST SESSION

S. 468

To improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25, 1999

Mr. VOINOVICH (for himself, Mr. THOMPSON, Mr. LIEBERMAN, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

A BILL

To improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Financial As-
5 sistance Management Improvement Act of 1999”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

1 (1) there are over 600 different Federal finan-
2 cial assistance programs to implement domestic pol-
3 icy;

4 (2) while the assistance described in paragraph
5 (1) has been directed at critical problems, some Fed-
6 eral administrative requirements may be duplicative,
7 burdensome or conflicting, thus impeding cost-effec-
8 tive delivery of services at the local level;

9 (3) the Nation's State, local, and tribal govern-
10 ments and private, nonprofit organizations are deal-
11 ing with increasingly complex problems which re-
12 quire the delivery and coordination of many kinds of
13 services; and

14 (4) streamlining and simplification of Federal
15 financial assistance administrative procedures and
16 reporting requirements will improve the delivery of
17 services to the public.

18 **SEC. 3. PURPOSES.**

19 The purposes of this Act are to—

20 (1) improve the effectiveness and performance
21 of Federal financial assistance programs;

22 (2) simplify Federal financial assistance appli-
23 cation and reporting requirements;

24 (3) improve the delivery of services to the pub-
25 lic; and

1 (4) facilitate greater coordination among those
2 responsible for delivering such services.

3 **SEC. 4. DEFINITIONS.**

4 In this Act:

5 (1) DIRECTOR.—The term “Director” means
6 the Director of the Office of Management and Budg-
7 et.

8 (2) FEDERAL AGENCY.—The term “Federal
9 agency” means any agency as defined under section
10 551(1) of title 5, United States Code.

11 (3) FEDERAL FINANCIAL ASSISTANCE.—The
12 term “Federal financial assistance” has the same
13 meaning as defined in section 7501(a)(5) of title 31,
14 United States Code, under which Federal financial
15 assistance is provided, directly or indirectly, to a
16 non-Federal entity.

17 (4) LOCAL GOVERNMENT.—The term “local
18 government” means a political subdivision of a State
19 that is a unit of general local government (as de-
20 fined under section 7501(a)(11) of title 31, United
21 States Code);

22 (5) NON-FEDERAL ENTITY.—The term “non-
23 Federal entity” means a State, local government, or
24 nonprofit organization.

1 (6) NONPROFIT ORGANIZATION.—The term
 2 “nonprofit organization” means any corporation,
 3 trust, association, cooperative, or other organization
 4 that—

5 (A) is operated primarily for scientific,
 6 educational, service, charitable, or similar pur-
 7 poses in the public interest;

8 (B) is not organized primarily for profit;
 9 and

10 (C) uses net proceeds to maintain, im-
 11 prove, or expand the operations of the organiza-
 12 tion.

13 (7) STATE.—The term “State” means any
 14 State of the United States, the District of Columbia,
 15 the Commonwealth of Puerto Rico, the Virgin Is-
 16 lands, Guam, American Samoa, the Commonwealth
 17 of the Northern Mariana Islands, and the Trust
 18 Territory of the Pacific Islands, and any instrumen-
 19 tality thereof, any multi-State, regional, or interstate
 20 entity which has governmental functions, and any
 21 Indian Tribal Government.

22 (8) TRIBAL GOVERNMENT.—The term “tribal
 23 government” means an Indian tribe, as that term is
 24 defined in section 7501(a)(9) of title 31, United
 25 States Code.

1 (9) UNIFORM ADMINISTRATIVE RULE.—The
2 term “uniform administrative rule” means a Govern-
3 ment-wide uniform rule for any generally applicable
4 requirement established to achieve national policy
5 objectives that applies to multiple Federal financial
6 assistance programs across Federal agencies.

7 **SEC. 5. DUTIES OF FEDERAL AGENCIES.**

8 (a) IN GENERAL.—Not later than 18 months after
9 the date of enactment of this Act, each Federal agency
10 shall develop and implement a plan that—

11 (1) streamlines and simplifies the application,
12 administrative, and reporting procedures for Federal
13 financial assistance programs administered by the
14 agency;

15 (2) demonstrates active participation in the
16 interagency process under section 6(a)(2);

17 (3) demonstrates appropriate agency use, or
18 plans for use, of the common application and report-
19 ing system developed under section 6(a)(1);

20 (4) designates a lead agency official for carry-
21 ing out the responsibilities of the agency under this
22 Act;

23 (5) allows applicants to electronically apply for,
24 and report on the use of, funds from the Federal fi-

1 nancial assistance program administered by the
2 agency;

3 (6) ensures recipients of Federal financial as-
4 sistance provide timely, complete, and high quality
5 information in response to Federal reporting re-
6 quirements; and

7 (7) establishes specific annual goals and objec-
8 tives to further the purposes of this Act and meas-
9 ure annual performance in achieving those goals and
10 objectives, which may be done as part of the agen-
11 cy's annual planning responsibilities under the Gov-
12 ernment Performance and Results Act of 1993
13 (Public Law 103–62; 107 Stat. 285).

14 (b) EXTENSION.—If one or more agencies are unable
15 to comply with the requirements of subsection (a), the Di-
16 rector shall report to the Committee on Governmental Af-
17 fairs of the Senate and the Committee on Government Re-
18 form of the House of Representatives the reasons for non-
19 compliance. After consultation with such committees, the
20 Director may extend the period for plan development and
21 implementation for each noncompliant agency for up to
22 12 months.

23 (c) COMMENT AND CONSULTATION ON AGENCY
24 PLANS.—

1 (1) COMMENT.—Each agency shall publish the
2 plan developed under subsection (a) in the Federal
3 Register and shall receive public comment of the
4 plan through the Federal Register and other means
5 (including electronic means). To the maximum ex-
6 tent practicable, each Federal agency shall hold pub-
7 lic forums on the plan.

8 (2) CONSULTATION.—The lead official des-
9 ignated under subsection (a)(4) shall consult with
10 representatives of non-Federal entities during devel-
11 opment and implementation of the plan. Consulta-
12 tion with representatives of State, local, and tribal
13 governments shall be in accordance with section 204
14 of the Unfunded Mandates Reform Act of 1995 (2
15 U.S.C. 1534).

16 (d) SUBMISSION OF PLAN.—Each Federal agency
17 shall submit the plan developed under subsection (a) to
18 the Director and Congress and report annually thereafter
19 on the implementation of the plan and performance of the
20 agency in meeting the goals and objectives specified under
21 subsection (a)(7). Such report may be included as part
22 of any of the general management reports required under
23 law.

1 **SEC. 6. DUTIES OF THE DIRECTOR.**

2 (a) IN GENERAL.—The Director, in consultation with
3 agency heads, and representatives of non-Federal entities,
4 shall direct, coordinate, and assist Federal agencies in
5 establishing—

6 (1) a common application and reporting system,
7 including—

8 (A) a common application or set of com-
9 mon applications, wherein a non-Federal entity
10 can apply for Federal financial assistance from
11 multiple Federal financial assistance programs
12 that serve similar purposes and are adminis-
13 tered by different Federal agencies;

14 (B) a common system, including electronic
15 processes, wherein a non-Federal entity can
16 apply for, manage, and report on the use of
17 funding from multiple Federal financial assist-
18 ance programs that serve similar purposes and
19 are administered by different Federal agencies;
20 and

21 (C) uniform administrative rules for Fed-
22 eral financial assistance programs across dif-
23 ferent Federal agencies; and

24 (2) an interagency process for addressing—

25 (A) ways to streamline and simplify Fed-
26 eral financial assistance administrative proce-

dures and reporting requirements for non-Federal entities;

(B) improved interagency and intergovernmental coordination of information collection and sharing of data pertaining to Federal financial assistance programs, including appropriate information sharing consistent with section 552a of title 5, United States Code; and

(C) improvements in the timeliness, completeness, and quality of information received by Federal agencies from recipients of Federal financial assistance.

(b) LEAD AGENCY AND WORKING GROUPS.—The Director may designate a lead agency to assist the Director in carrying out the responsibilities under this section. The Director may use interagency working groups to assist in carrying out such responsibilities.

(c) REVIEW OF PLANS AND REPORTS.—Upon the request of the Director, agencies shall submit to the Director, for the Director's review, information and other reporting regarding agency implementation of this Act.

(d) EXEMPTIONS.—The Director may exempt any Federal agency or Federal financial assistance program from the requirements of this Act if the Director determines that the Federal agency does not have a significant

1 number of Federal financial assistance programs. The Di-
2 rector shall maintain a list of exempted agencies which
3 shall be available to the public through the Office of Man-
4 agement and Budget's Internet site.

5 **SEC. 7. EVALUATION.**

6 (a) IN GENERAL.—The Director (or the lead agency
7 designated under section 6(b)) shall contract with the Na-
8 tional Academy of Public Administration to evaluate the
9 effectiveness of this Act. Not later than 4 years after the
10 date of enactment of this Act, the evaluation shall be sub-
11 mitted to the lead agency, the Director, and Congress. The
12 evaluation shall be performed with input from State, local,
13 and tribal governments, and nonprofit organizations.

14 (b) CONTENTS.—The evaluation under subsection (a)
15 shall—

16 (1) assess the effectiveness of this Act in meet-
17 ing the purposes of this Act and make specific rec-
18 ommendations to further the implementation of this
19 Act;

20 (2) evaluate actual performance of each agency
21 in achieving the goals and objectives stated in agen-
22 cy plans; and

23 (3) assess the level of coordination among the
24 Director, Federal agencies, State, local, and tribal

1 governments, and nonprofit organizations in imple-
2 menting this Act.

3 **SEC. 8. COLLECTION OF INFORMATION.**

4 Nothing in this Act shall be construed to prevent the
5 Director or any Federal agency from gathering, or to ex-
6 empt any recipient of Federal financial assistance from
7 providing, information that is required for review of the
8 financial integrity or quality of services of an activity as-
9 sisted by a Federal financial assistance program.

10 **SEC. 9. JUDICIAL REVIEW.**

11 There shall be no judicial review of compliance or
12 noncompliance with any of the provisions of this Act. No
13 provision of this Act shall be construed to create any right
14 or benefit, substantive or procedural, enforceable by any
15 administrative or judicial action.

16 **SEC. 10. STATUTORY REQUIREMENTS.**

17 Nothing in this Act shall be construed as a means
18 to deviate from the statutory requirements relating to ap-
19 plicable Federal financial assistance programs.

20 **SEC. 11. EFFECTIVE DATE AND SUNSET.**

21 This Act shall take effect on the date of enactment
22 of this Act and shall cease to be effective 5 years after
23 such date of enactment.

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